



## City of Hayward Home Ownership Assistance Program

### *What is the First-Time Homebuyer Assistance Program?*

The City of Hayward is committed to increasing the number of residents who own their homes.

The City recognizes that there are many families who want to own a home and can qualify for a mortgage and afford the monthly payments, but are unable to save enough for a down payment. The First-Time Homebuyer Program (FHP) helps eligible families purchase a home in the City of Hayward.

The First-Time Homebuyer Program is designed to work with a number of different mortgage programs. The FHP provides down payment and closing cost assistance.

### *Am I eligible for the Program?*

The FHP is designed to help first-time homebuyers who, without City assistance, would not be able to own a home.

- To qualify, you must not have owned a home, condominium or townhome within the last three (3) years.
- You must not earn more than 120% of the area median income adjusted by household size as listed in the following table:

#### **FHP INCOME LIMITS**

Family Size	Income Limit
1	\$64,350
2	\$73,500
3	\$82,700
4	\$91,900
5	\$99,300
6	\$106,600

### *What kind of home can I purchase?*

- You may purchase any new or existing home, single-family detached, or townhome (no manufactured housing units, duplexes or mobile homes).
- The home must be located within the municipal boundaries of the City of Hayward (i.e., homes within the unincorporated areas do not qualify for assistance).
- The maximum purchase price of the residence may not exceed \$330,000.00.
- The City cannot provide assistance to purchase properties with health and safety deficiencies or structural problems.

### *Can my family really afford to own a home?*

Buying a home is the largest purchase most families will ever make. Plan on attending one of the City's free Homebuyer Workshops. The Workshop takes you through the entire homebuying process step-by-step. Topics include deciding whether homeownership is right for you, shopping for a home that meets your needs, obtaining a home mortgage, closing the sale, and even maintaining your new home. You will know more about homebuying and will be able to negotiate the purchase and financing of the home you want. You will understand the terms of your mortgage and be confident that you can afford homeownership.

### *What are the terms of the FHP loan?*

The City will provide qualified homebuyers up to \$20,000 which includes:

- Down Payment Assistance; and/or
- Closing Cost Assistance



## City of Hayward Home Ownership Assistance Program

The FHP assistance is a 30-year, fully amortized loan. It has an interest rate that is established by the Federal Home Loan Bank, 11th District Cost of Funds Index (COFI) at the time of City approval. The loan is secured by a second deed of trust.

You must have a downpayment of at least 3% of the purchase price, plus funds for recurring closing costs. If a CalHFA or FHA loan is used in conjunction with the City's assistance, buyers must pay at least 1% of the purchase price plus recurring closing costs from their own funds.

Loan payments are due to the City on the first of each month and must be made by an electronic transfer of funds from your checking/savings account to the City. You authorize this transaction and maintain sufficient funds in your account for these payments.

### *Do I need to qualify for a mortgage?*

Yes. In order to receive assistance, you must qualify for a home mortgage. Any of the participating lenders listed on the back of this brochure can determine if you qualify for a first mortgage and for the City's First-Time Homebuyer Assistance Program. You **MUST** use a lender listed in this brochure to participate in this program.

A suggested debt-to-income ratio should not exceed 45% of gross income for housing expenses and a combined (housing costs and debt)-to-income ratio should not exceed 45%. (45% front-end debt ratio/45% back-end ratio.)

A \$200 processing fee is charged for each loan.

### *How do I get started?*

1. Attend a Workshop - Call the City of Hayward, Department of Community and Economic Development at (510) 583-4244, or a participating lender, to reserve a space in a First-Time Homebuyer workshop.
2. Become Pre-Approved for a First Mortgage - Contact a participating lender to be pre-approved for a home loan and to check your eligibility for the First-Time Homebuyer Assistance Program. You **MUST** use a participating lender.
3. Find a Home - Locate an eligible house or townhome within the incorporated areas of Hayward.
4. Sign a Contract - Enter into a written contract with the seller to purchase the property.
5. Finalize your Mortgage - See your lender to finalize your mortgage and FHP loan. The lender will submit an application to the City for approval. The City will verify your eligibility and that of the home to be purchased and approve the FHP loan.
6. Sign the Loan Papers - Following application approval, you will sign the FHP loan documents and the first mortgage loan documents before the close of escrow.
7. Enjoy Your New Home! - The City will deposit the down payment and/or closing assistance funds in the escrow account for your mortgage. When escrow closes, you are now able to move into your new home!

For more information, please call (510) 583-4244  
or send an email to: [homeownership@ci.hayward.ca.us](mailto:homeownership@ci.hayward.ca.us)